[Translation]

PROF. RASA SINGH RAWAT: Mr. Speaker, Sir, I would like to ask a question in respect of those State Governments whose position in regard to repayment in Government.

[English]

MR. SPEAKER: Perhaps the Minister has said that there is no outstanding loan.

SHRI P. CHIDAMBARAM: In the case of Assam, after this Government took over, on a request made by the Chief Minister of Assam, we deputed a team. On the basis of the report of the team, we have made a special grant of Rs. 132 crore to deal with security-related expenditure which, according to the Government of Assam, was not taken into account by the Finance Commission.

Therefore, Assam has been given a special grant of Rs. 132 crore for security-related expenditure. Assam is also a special category State. All the Central funds flowing to Assam go as 90 per cent grant and 10 per cent loan.

Target for Disinvestment

*243. LT. GEN. PRAKASH MANI TRIPATHI: Will the Minister of FINANCE be pleased to state:

(a) the target fixed for raising of funds by disinvestment in public sector enterprises during 1997-98;

(b) present position in this regard;

(c) whether the disinvestment commission has expressed its concern over the delay in taking decisions by the Government thereon; and

(d) if so, the reaction of the Government thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The target fixed for 1997-98 is Rs. 4,800 crores.

(b) Disinvestment in four Public Sector Enterprises (PSEs); namely, Gas Authority of India Ltd. (GAIL), Container Corporation of India Ltd. (CONCOR), Mahanagar Telephone Nigam Ltd. (MTNL), and IOC has been approved during the current year 1997-98. Action has been initiated in this regard.

(c) and (d) Yes, Sir. Disinvestment Commission has expressed its concern in its 3rd Report. The Commission has made a number of recommendations both of a general nature and also relating to individual PSEs. These recommendations have been examined by the Core Group of Secretaries. A number of these have been referred to administrative Ministries for action and implementation. Where strategic sales of companies have been recommended, the administrative Ministries have been consulted for framing proposals for approval of the Govt. Since Disinvestment Commission has proposed radical changes, the Government has to take a considered approach on these issues.

LT. GENERAL PRAKASH MANI TRIPATHI: I am glad that the target fixed for this year is Rs. 4800 crore. In 1992-93, the target fixed was Rs. 3500 crore and the achievement was less than Rs. 2000 crore. In 1993-94, the target was Rs. 3500 crore but not even Rs. 1000 crore was achieved. In 1994-95, the target was Rs. 4000 crore and the achievement was good. In 1995-96, the target was Rs. 7000 crore and what was achieved was Rs. 168 crore. I do not know whether one was the carry over of the other or backlog of the other. But I am glad that you fixed a target of Rs. 4800 crore for this year.

The method, how this is fixed, is not clear to me. But certainly the progress has been very tardy. So, we have this tragedy that good schemes have bad progress and bad schemes have no progress.

Now, we have an Advisory Body which has made four recommendations. But it is not clear whether really this scheme has taken off, or no takeoff has taken place so far. It is not at all transparent and also adequate data is not being made available. What I would want to bring to the notice of the hon. Minister is that the percentage of disinvestment as envisaged by him has been very slow and in 1995-96 it had even slowed down further.

Is that the picture with the hon. Finance Minister; and if so how does he propose to accelerate this good scheme? That is my question.

SHRI P. CHIDAMBARAM: Sir, disinvestment is a sensitive issue. It is true that the previous Government fixed certain targets but it could not evolve a mechanism by which disinvestment took place in a transparent manner and would have widespread support. Therefore, in the Common Minimum Programme of this Government, we announced a decision to establish a Disinvestment Commission.

The Commission has been established. I believe that has been widely welcomed by this House and by the people of this country. It has introduced a large degree of transparency, objectivity and quality in decision making.

Last year, the Disinvestment Commission came towards the middle of the year and by the time it gave its report, in the process the year was over. We could only get a small portion through VSNL. VSNL, as it turns out, anyone who is aware of what is happening in the capital market, has been the most successful issue of the year. In fact, the word what is being described as is, 'very successful new listing—VSNL'. It is now quoting much above the price at which it was listed. VSNL investors are extremely happy. We think that we are on the right track for disinvestment.

We have now received the Disinvestment Commission's reports. We have chosen three companies for disinvestment this year alongwith IOC which was decided last year and which has been carried over to this year. They are GAIL,

CONCORN and MTNL. Now, Rs. 4,800 crore have been fixed having regard to what is possible in terms of disinvestment of three or maybe four companies. Disinvestment process is going through smoothly. At every stage, the Disinvestment Commission is kept in the picture. There is a core group; then there is a group headed by the Cabinet Secretary; and then it comes to the Cabinet.

I am confident that as things are moving through quite smoothly, we will be able to raise this Rs. 4,800 crore this year.

LT. GENERAL PRAKASH MANI TRIPATHI: I am sorry to say that I do not share the hon. Minister's confidence in this matter that Rs. 4,800 crore will be realised. However that is a matter of opinion.

But specifically, what I want to, in my second question, point out is that the arrangements that have been made through the medium of an Empowered Committee headed by the Cabinet Secretary, which has Secretary, Ministry of Industries and so on, are the normal formulations. This is a thing to make it work. The Committee has to cut across various Ministries. There are various other Ministries. It is an inter-Ministerial job. The Secretaries sitting in the offices have a lot of work to do. They are very busy people. Therefore, the normal hierarchical set up will not speed up the progress of this scheme. This is what my feeling is. You need to create a Special Group, not necessarily Government people but somebody who can execute the good proposals being made by Shri Ramakrishna. He has also expressed serious concern that the Government is not taking decisions fast enough or it has not expressed its view. The impression that we have got from the various literatures that one has read is that the decisions of the Government are not matching with the speed with which they should be going. I, therefore, want to know whether any special effort will be made for an organisational set up that can bring about an acceleration in this process.

SHRI P. CHIDAMBARAM: Sir, I do not think it is possible to hasten the process. I do not think there is any deliberate attempt to slow down the process either. After all, the Government is answerable to Parliament. Therefore, the Government has to oversee the disinvestment process and the Government is doing so through the mechanism of the Disinvestment Commission. We are strictly adhering to the recommendations of the Disinvestment Commission both in the choice of the company, the level of disinvestment and the manner of disinvestment and, I believe, so far it has worked well.

It is true that Shri Ramakrishna from time to time expresses certain views but that is good. It is good to have somebody outside Government who points out to you these things. It is good to have a reference point. I am quite happy with Shri Ramakrishna's view. He meets me quite often. He sits in the same building as I do. I am quite happy with his views. I do not believe, Parliament or the country will accept the situation where disinvestment takes place through a mechanism outside the Government. Finally, the decision has to be taken by the Cabinet. The final decisions have to be taken by the Government. As of this morning, I am confident that the process is going through smoothly in these three plus one companies and we will be able to disinvest up to Rs. 4,800 crore.

[Translation]

SHRI RAMENDRA KUMAR: Mr. Speaker, Sir, the hon. Minister has informed that a sum of Rs. 4800 crore is likely to be collected by selling the Public Sector shares. I would simply like to know from the hon. Minister whether the Govt. has chalked out any strategy for reviving and revamping the sick Public Sector Units or those which are on the verge of closure like Hindustan Fertilizers, I.D.P.L., H.E.C. etc. utilising this amount.

[English]

SHRI P. CHIDAMBARAM: Sir, the bulk of the disinvestment proceeds will go for the social sector, as we have said in our Common Minimum Programme, namely health and education. There is a decision that 10 per cent of the disinvestment proceeds should be earmarked for a Revolving Fund. Last year we raised a very small amount and, therefore, the question of providing 10 per cent was neither here nor there. This year, if we succeed in raising Rs. 4,800 crore, surely we will consider allocating about 10 per cent of that amount to the Revolving Fund.

MR. SPEAKER: I think, he has already answered Shri Acharia's question.

SHRI BASU DEB ACHARIA: No, Sir.

I want to know from the hon. Finance Minister whether it is a fact that the Refugee Rehabilitation Industries Corporation, which is a public sector undertaking, has also been referred to this Disinvestment Commission.

SHRI P. CHIDAMBARAM: Sir, I believe, it was referred to the Commission but the Commission has not yet taken it up.

SHRI BASU DEB ACHARIA: Why has this public sector undertaking been referred to the Commission? *...(Interruptions)*

SHRI P. CHIDAMBARAM: I will check and let you know.

I am not aware why a particular company was referred. All companies where there is a proposal to disinvest will be referred, but the Disinvestment Commission advises. My colleague tells me that it may have been referred, but they have not taken it up. I will check the position and let you know.

[Translation]

Training to Unemployed Youths for SSI

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*245. SHRI DEVI BUX SINGH:

DR. RAMESH CHAND TOMAR:

Will the Minister of INDUSTRY be pleased to state: